

111TH CONGRESS
2D SESSION

H. R. 4444

To prohibit the Federal Government from awarding contracts or grants to, entering into other agreements with, providing any other Federal funds to, or engaging in activities that promote, certain organizations.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2010

Mr. GRAYSON introduced the following bill; which was referred to the
Committee on Oversight and Government Reform

A BILL

To prohibit the Federal Government from awarding contracts or grants to, entering into other agreements with, providing any other Federal funds to, or engaging in activities that promote, certain organizations.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Defund the Crooks
5 Act”.

1 **SEC. 2. PROHIBITIONS ON FEDERAL FUNDS AND OTHER**
2 **ACTIVITIES WITH RESPECT TO CERTAIN OR-**
3 **GANIZATIONS.**

4 (a) PROHIBITIONS.—With respect to any covered or-
5 ganization, the following prohibitions apply:

6 (1) No Federal contract, grant, cooperative
7 agreement, or any other form of agreement, includ-
8 ing the execution of a contract option, the award of
9 a task order, or a memorandum of understanding,
10 may be awarded to or entered into with the covered
11 organization.

12 (A) Except as provided in subparagraph
13 (B), no Federal funds in any form may be pro-
14 vided to the covered organization.

15 (B) Subparagraph (A) does not apply to
16 Federal funds provided as payment for goods or
17 services provided to the Government before the
18 date of the enactment of this Act.

19 (2) No Federal employee acting in the course
20 and scope of employment and no Federal contractor
21 during the performance of the contract, may pro-
22 mote the covered organization in any way, including
23 recommending the covered organization to any per-
24 son or referring any person to the covered organiza-
25 tion for any purpose.

1 (b) TERMINATION OF CERTAIN CONTRACTS OR
2 GRANTS.—In the case of a contract or grant awarded—

3 (1) before the date of the enactment of this Act
4 to a covered organization, if the contract period or
5 the duration of the contract or grant expires more
6 than one year after such date, such contract or
7 grant shall be terminated not later than one year
8 after the date of the enactment of this Act; or

9 (2) after the date of the enactment of this Act
10 to an organization that becomes a covered organiza-
11 tion after the award of the contract or grant, such
12 contract or grant shall be terminated immediately.

13 (c) COVERED ORGANIZATION DEFINED.—In this sec-
14 tion, the term “covered organization” means any of the
15 following:

16 (1) An organization that has been convicted of
17 a violation of any Federal or State law.

18 (2) An organization that had its corporate char-
19 ter revoked by a State or other issuing authority due
20 to the failure of the organization to comply with
21 Federal or State laws.

22 (3) An organization that has filed, submitted,
23 or transmitted a fraudulent claim with or to any
24 Federal or State agency authorized by law to pro-
25 mulgate regulations, including the Department of

1 Defense, the Department of Health and Human
2 Services, and the Department of Labor.

3 (4) An organization that knowingly—

4 (A) employs an individual who has been
5 convicted of a violation of Federal or State law;

6 (B) hires as a contractor any such indi-
7 vidual; or

8 (C) extends any express, implied, or appar-
9 ent authority to such an individual to act on be-
10 half of the organization.

11 (5) Any organization that is the parent com-
12 pany of, subsidiary of, or subsidiary of the parent
13 company of, and any other company that owns 50
14 percent or more of, an organization described in
15 paragraphs (1), (2), (3), or (4).

16 (d) ADDITIONAL DEFINITIONS.—In this section:

17 (1) The term “fraudulent” includes, but is not
18 limited to any activity that would establish liability
19 under either section 1001 of title 18, United States
20 Code, or section 3729 of title 31, United States
21 Code.

22 (2) The term “claim”—

23 (A) means any communication, such as a
24 statement, record, or form, that includes any
25 information required by law; and

1 (B) includes—

2 (i) the term “claim” as such term is
3 defined under section 3729(c) of title 31,
4 United States Code, and as such term is
5 used in section 287 of title 18, United
6 States Code; and

7 (ii) the term “representation” and the
8 term “entry” as such terms are used in
9 section 1001 of title 18, United States
10 Code.

11 (e) REVISION OF FEDERAL ACQUISITION REGULA-
12 TION.—The Federal Acquisition Regulation shall be re-
13 vised to carry out the provisions of this Act relating to
14 contracts.

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